

IN THE MATTER OF THE APPLICATION )  
OF AVISTA CORPORATION FOR ) CASE NO. AVU-E-01-16  
APPROVAL OF SCHEDULE 95, OPTIONAL )  
WIND POWER RATE )

COMMENTS OF IDAHO RIVERS UNITED ON IDAHO POWER CO. GREEN ENERGY PURCHASE PROGRAM - 1

Avista's filing provides little detail on how the company intends to market the wind program. Avista must engage in a concerted effort to market this program to its customers. Studies show that the quality of marketing efforts has a significant impact on the percentage of customers who sign up for green pricing programs.<sup>1</sup> In order to make this program work, Avista must make clear, appropriately funded and specific commitments to make it work.

The filing indicates that Avista will market to customers most likely to use the program through "targeted communications." We support savvy, cost-effective marketing strategies. However, we would caution Avista not to target communications so narrowly as to miss customers who may be interested in the program. In addition to any targeted marketing, Avista must at minimum notify *all* ratepayers of the program when opening an account, through bill stuffers or direct mailings twice a year, and through Avista's website. Avista should also work to gain media attention for the program, which provides a free medium for public information.

In addition to the highly educated customers that Avista proposed to target, it should also target non-residential customers. Targeting non-residential customers can be a good way to leverage marketing efforts. If high profile commercial clients sign up, they may choose to advertise that fact, in effect providing free advertising for the green power program. Non-residential customers can also purchase much larger blocks of green power.<sup>2</sup>

## **Reporting**

The PUC should require annual year-end reports from Avista on the wind power program. This should include the total number of customers signed up and the number signed up each year, the total blocks purchased through the program, the number of kWh bought or generated, the amount of money spent on marketing and a description of marketing efforts undertaken.

## **IV. Conclusion**

IRU and the LAW Fund are pleased that Avista has taken the initiative to offer green energy to its customers. This proposal is a good first step towards bringing green power to Avista's customers. We have every wish to see the wind power program succeed, and hope to work with Avista to make that happen. With effective marketing efforts, this could be a truly successful program.

January 22, 2002

For Idaho Rivers United and  
the LAW Fund,

---

Sara Denniston Eddie

---

<sup>1</sup> "Customer Choice and Green Power Marketing in the United States: How Far Can it Take Us?" Ryan Wiser & Mark Bolinger, Lawrence Berkeley National Laboratory, and Edward Holt, Ed Holt & Associates, Inc.

<sup>2</sup> Id.